



KNOWLEDGE... LIBERTY... UTILITY... REPRESENTATION... RESPONSIBILITY.

VOL. I.

PHILADELPHIA, WEDNESDAY, JANUARY 14, 1835.

NO. 47.

BILL OF EXCHANGE ON FRANCE.

We recommend to the especial perusal of the President of the Bank of the United States, an extract from the Report of the Senate Committee on Foreign Relations, which follows. The report was penned by Mr. Clay, from his own showing, and the Committee is composed of Messrs. Clay, Mangum, and Sprague, of the opposition, and Messrs. King and Tallmadge, friends of the Administration. Now for the extract; it relates, it will be seen, to the bill of exchange on France.

"It might have been delicate towards France; it certainly would have been more fortunate if this draft had not been made, until information had been obtained of the necessary appropriation by the French Chambers to meet it; but the committee are unanimously of opinion that the mode adopted was fully justified by the terms of the treaty, and that no objection against it can be fairly drawn from them."

The Committee controvert *unanimously* the doctrine of Mr. Biddle, who, in one of his recent letters, evincing a large portion of what has been justly called his "chambermaid pertness," lays down, first, that the Bank maintains and "will always be ready to prove, that the bill of exchange on the French Government was drawn without the slightest authority whatever from that government to draw it." This is one of the positions taken by Mr. Biddle, in his letter of the 28th November, 1834—which letter is in Document No. 21, of the House of Representatives, and was resisted and destroyed by our able Secretary of the Treasury, in his reply of 11th Dec. 1834. This is in the same document, and is, of course, agreed to in that particular by the Senate's Committee. We commend these conflicting extracts to the attention of the friends of the Bank, and dispense with the whole-some advice we *might* give them against disquisitions in a family when its fortunes are on the wane.—*Globe*.

From the Standard of Union.

In reviewing the acts of the past Legislature, there is one which demands, and will doubtless receive the approbation of the people, and which reflects enduring honor upon those who sustained it.

We allude to the bill for amending that clause of the Constitution, which requires property qualifications for the members of the Legislature—that vestige of aristocracy, which has been a blot upon the instrument from the hour of its adoption.

It might have been excused at first, borrowing, as our fathers did, many of their notions of government from the English system—but how it should have stood the test of more enlightened times, and the advancement of more liberal principles, is a matter of astonishment.

That ignorance, with five hundred dollars in its pocket, should be better qualified, to legislate for a country, than learning and talents, and patriotism, because its purse is empty, is a sort of logic, which turns reason and common sense topsy turvy, and prostrates the fundamental principles of our government.

We are taught to consider ours a government of opinion, based upon the principle, that men are capable of governing themselves—that it is their right to choose their own agents, and yet our Constitution has placed one portion of our citizens beyond the reach of the people, by a constitutional disfranchisement.

The people are the only legitimate judges of the qualifications of their own servants, and the rich and the poor should stand on an equal chance for promotion.

No property qualification is required of the President of the United States—none of members of Congress—none of the Judges of the Supreme Court—none of the Judges of our State Courts, who hold in their hands the lives, the liberty, the property and character of the people—while every poor man in the State, however exalted by virtue and talents, is excluded from a seat in the Legislature. Is this reasonable, is it just?

But the scales are falling from men's eyes, and the errors of past times are yielding to the progress of a more enlightened and liberal policy.

Let the Union men come here next year in power—let them re-enact this bill—and in future times, when it shall be asked, what was done by the Union party of Georgia in 1834 and 1835, to perpetuate its memory? it will be answered, they regenerated their State Constitution—they bursted the shackles of disfranchisement which bound a portion of their citizens, and gave a practical illustration of their faith in the first canon of the republican creed, "THAT ALL MEN ARE BORN EQUAL."

LOOK OUT!!!!

The wind is shifting rapidly, and the breeze which has been blowing with such violence from South Carolina, for the last three years is now almost a calm.

The compromise in that State, or rather the recession (*not sessions*) of the nullifiers from the high ground of unqualified and indivisible sovereignty, has brought up their friends in Georgia, with a wet sail, and left them, very unexpectedly, as the old saying is, to shift for themselves.—*ib*.

THE CHEROKEE QUESTION.

We publish to day, the bill passed at the last session, for the Government and protection of the Cherokee Indians, residing within the limits of Georgia, that those who have an interest in obtaining grants under the provisions of the act of 1833, may know, that the power to interpose Injunctions, and thereby to throw obstacles in their way, no longer exists. The present act makes it the duty of the agent, to put the owner, into the possession of his land, in all cases authorizing him to do so under the act of 1833; and forbids the Judge of the Superior Court, to issue Injunctions to prevent it; and the experience of the last twelve months, proves this to be right.

There is another provision of the Bill, which reflects high credit upon its supporters—it is that which gives to the party dispossessed, the right of appeal to the Superior court: and the manner in which that right is guarded, meets our highest approbation. Before the party seeking the appeal can avail himself of its benefit, he must first admit the right of the State, to pass the act in question, so that no plea to the jurisdiction of the court; no averment that the Cherokees are a sovereign and independent nation can come in controversy, and consequently no case for the Supreme court, can grow out of it.

"Othello's occupation's gone." Those who have hoped to make much out of this controversy, either in a political or pecuniary point of view, may shut up shop.

There is another most salutary provision in the Bill; it is that which authorizes the Governor to execute the law, and to repel resistance to its authority with the military force of the country. The laws of Georgia are as sacred in that section of country as in the oldest county, and they must be respected and obeyed there, as well as elsewhere.

The Governor will discharge his duty, and those who expect to disregard and contemn this act, will reckon without their host; and those who instigate the Indians to acts of opposition and resistance to the measures of the government, if such there be, will prove their worst enemies.

There is nothing unreasonable in the law; but an impression has been sought to be made, that the act of 1833 authorized the Indians to be turned indiscriminately out of the possession of all the lands they occupy. This is not true. It provides, that Indians who have taken reservations under former treaties, and sold out those reservations, shall not now claim an equal occupant right with those who have enjoyed no such advantages. And is it not just, that such distinction should be made? Many of them have heretofore retained valuable reservations, which they have sold for many thousands of dollars, and they are now claiming to be placed upon an equal footing with the poor Indians, who have never retained a foot of land or received a dollar from any reservations.

These are the only people to be dispossessed under the act,

while the balance of the Indians are protected in all the occupant rights secured to them by the legislature.

But they happen to be the wealthy class. They exercise a powerful influence over the inferior class—have money and can fee lawyers, and there lies the whole secret. If they were poor and obscure; if their purses could not obtain the benefit of legal talents, we should not hear quite so much canting about the injustice of the State, towards the poor Indians.

But the jig is nearly up. The Supreme court case growing out of Grave's conviction has been settled in short order, and must furnish to that misguided people an instructive lesson. It must teach them their total impotency to thwart the policy of Georgia, and must convince them of the delusion which has been practised upon them by those, who have encouraged them to persevere in their course.

We close, by repeating, the law will be executed; and the Governor will be sustained by the people.—*ib*.

MR. LEIGH, &c.—"THE EXTRAORDINARY PRINTING."

We find in Mr. Tyler's account of what he calls "*extraordinary printing*" by the Bank, the following items:

10,000 Archer's speech on Bank question, - - -	\$ 288
5,000 Leigh's speech on Protest, - - -	125
5,000 do. on renewal Bank charter, - - -	104
5,000 do. Leigh's do. 8 pages added, - - -	156

Here is an outlay of nearly seven hundred dollars, (and more if we take into account their share of the "\$300, for paper, seals, and envelopes," for the 25,000 speeches of Messrs. Leigh and Archer!! Not a dollar is paid by the Bank for the publication of any one's speech professing to be against the institution—those of Messrs. Archer and Leigh only excepted. How is this to be accounted for? Why would the Bank expend so large a sum of money to circulate twenty-five thousand speeches of the two able and influential Virginia Representatives against itself? Why when the great object of the Bank party was to convert the leading state of the South to the Bank interest, should it circulate speeches there purporting to be opposed to it? We ask the people of Virginia, whether they suppose the Bank would contribute its means to wage war upon itself, merely to flatter the vanity of the orators, or that the managers of the secret service fund were so ignorant and obtuse as to mistake a speech made against the Bank, for those made in its behalf? We hope Mr. Leigh, who is now a candidate before the State Legislature of Virginia for a six years' term of *irresponsible* service, (according to the modern whig doctrine,) will explain, to those who represent an anti-Bank State, how it happens that his speeches were such peculiar favorites with the publishing committee. If he were to come to an honest confession, we think, he would say "The Bank was of the opinion that direct advocacy of it in Virginia, was not the way to serve it—that it was necessary to persuade the people of that patriotic State that they would be compelled to choose between the present Bank and a still more *awful alternative*—that they had to choose between two evils, and the least was that which they had been accustomed to bear." This, we think, would account for the complexion of Mr. Leigh's speeches, and the favor they met with in the eyes of Mr. Biddle.—*Globe*.

The *Journal du Commerce* says:—"The Chamber of Deputies has given in its political resignation. By a majority of 67 votes it has bound itself to the Doctrinary Ministry. It has retracted its own Address, and made an apology for having presumed to form a system of its own. This is an unexampled act. The Order of the Day, with the grounds assigned for it, of 1831, is a condemnation of what has just happened, by the recollections it awakens."

At the last session of the Legislature an act was passed making it the duty of all Executors and Administrators of the estates of decedents, to cause a notice to be published for six successive weeks in some newspaper, immediately after letters of administration are granted. We mention the requisition of the law for the benefit of those concerned,



PUBLISHED BY WILLIAM DU

PHILADELPHIA, JAN. 14, 1835.

VIEWS IN THE CALM!

The great political arena is unusually tranquil. The disposition to agitation is rather circumscribed. The dupes of the past time have found out their folly; though like silly school boys, they have not the manhood to come out and own it. They hug themselves up in any sort of consolation that can nourish their complacency.

Nullification has run its race, doing mischief only in the State which was deluded to sanction its extravagance and its very detestable absurdity. It is only surprising that those men of lofty pretensions as statesmen—those “men of words and not of deeds,” never saw, or would not look at the dilemma which they had created. The laxity of language in expressing definite ideas, affords disingenuity too many pretexts to “palter in a double sense.”

The word *independent* affords an example. As simply significant, it means standing alone, without aid or control. Yet apply it to the government of a nation, or a state, and this signification is found to be a fallacy, since every state is in itself, dependent on the will of the People who compose the state, and that it signifies peculiarly a power of self-government, by a People exempt from foreign control.

Taking it then as applying to a State of this Confederation, the term carries another condition—that of actual dependance on the common interests and prosperity of *all the States*; not that one may be sacrificed to all or any, or all to one—but that the principle of all association being common good and common defence, every State must, as it relies for its security on the whole, be dependent to the extent of that obligation on the whole.

Take an example in a familiar assumed case. Charleston, South Carolina, is not satisfied with the legislation of the State; and failing by remonstrance to bring the State to its obedience, declares the city of Charleston independent of the State of South Carolina. The case is no doubt an absurdity—but it is not more absurd than *Nullification*; which, independent of all the unsocial, ludicrous, and preposterous pretexts, set up to create a commotion, was as silly and untenable as the pretensions of Charleston would be in the supposed case.

It seems never to have occurred to those lost—forever lost as patriots—those lost men, that the foundation of this government was in its first inception totally and expressly *defensive*; that for a time in the Revolution, it was held that Canada might be dangerous to the new confederacy; that at a more advanced stage Louisiana was purchased, and latterly Florida, not so much for acquisition of territory, as to secure the Union against foreign colonies, foreign interests, or foreign neighbors.

So essential was this principle of security against foreign interference in our affairs, that President MONROE notified the nations of Europe, that this Union would not countenance any new establishment of foreign colonies on the continent of America—and the European powers acquiesced.

Here we have reached a point of observation, from which the feeble minds or ungovernable passions of the Nullifiers, may examine the case for themselves. Take it thus—

Say South Carolina, governed by a faction, should proclaim itself independent of the Confederation, divesting itself at once of the operation of the laws of the Union; and like the Republic of St. Marino, looking down upon the world, which it had renounced.

What, then, would become of the policy of defence of the old Congress?—the policy which declared against any new foreign colony on this continent?

South Carolina would at once present the spectacle of an absolute subversion of that policy. It would not be on the borders at Orleans, or Augustine, or Pensacola; it would be in the very centre of the southern States.

As a State unaffected by Federal laws or association, it would be the rendezvous of all the enmities which are created by the success of representative government; in the intercourse of the States south, with those north and west, the intercourse would be like that between the German States, or like the old provincial regime of France, before the revolution; it would be like Guernsey and Jersey, the entrepot of smuggling; and the borders on other States, must be lined with custom houses, or a *marechausse*.

But would the other twenty-three States submit to be thus treated? Would South Carolina suffer *Charleston* to declare independence?

The question admits of no cavil; it would be cowardice to shrink from the utterance of what must follow. The States of the Union would maintain the Union; and when persuasion failed, they would abate the *nuisance*; they would seize, try, and punish the traitors to the Union—and would thus sustain the indissoluble principles of the Confederation, from which no State has derived more advantage than South Carolina. The laws of nature—of self-preservation, would enforce the principles of eternal justice, in disregard of the wild passions, and the malignant spirit which characterised the whole of Nullification.

FOREIGN RELATIONS.

An arrival at New York from Liverpool, brings accounts to the 17th December. The new ministry appears to have been formed, though we should suppose not definitely, for the nominations given are certainly in composition as to politics, the antipodes of their predecessors. The arrangement, as given, indicates not much for the hereditary peerage—the Duke of Wellington, Lord Jersey, and the Earl of Aberdeen, being the only shoots of nobility of any long standing, the other peers are moderns altogether. The *peers* being 13 out of 18, and one equivocal. The peers and bishops, are however, to be relied upon to a *certain point*, such as that which compelled the peers to assent to the Reform Law and Catholic emancipation. It remains to be seen whether in a new crisis, which is inevitable, and cannot be distant in the very order of natural events, the *hierarchs* will again stop short—or trust to the last argument of kings.

William IV. it appears has revealed a different character from that which has been usually given him; the *rough sailor* it is even said, was not the man, but the *sly* on.

The *Times* says, his hatred of Brougham, was unqualified, and during the whole time that he was the keeper of the *King's conscience*. J. Walter, the proprietor of the *Times*, who made this allegation, is to be created a *Baronet*.

Sugden the new Lord Chancellor of Ireland, was the constant assailant of Brougham—

There are some indications of the coincidence of events on the continent of Europe, with the change in the British Ministry.

The demand alleged to be made by the German Diet, of the immediate evacuation of *Luxembourg* by the Belgian Government. The *Luxembourg* is one of the fortresses which was placed under the annual inspection of the Duke of Wellington by the Treaty of Paris.

Should the story which appeared in the *Messenger de Paris*, be founded in fact, and not a trick of the stock-jobbers, the peace of Europe cannot be of long duration. The received law of nations undoubtedly sanctions the claims of a country that has been conquered, as vested in the conqueror. Whether the title to claims, in right of conquered Poland, to engagements made between France and Poland, in a common war against Russia, is a

difficult case, and perhaps another *Gordian knot*. Should it prove to be fact, there can be little doubt of a general war in Europe; and free governments will have to sustain a war more fell and desolating than Europe had before known.

We would suggest to those gentlemen who aim at distinction by an *economy of destruction*—who are overwhelmed by the extravagance of a standing army of 6000 men; and who consider a military school as a mere matter of *patronage*—and who would destroy, because they, or their friends, are *not the preferred*—that the last war cost the country 100 dollars, when, with due military information, it would have cost not more than 20 to 50. They should recollect that on the Canada side our country is open to invasion, and has been invaded at Passamaquoddy, at Plattsburg, at Sackett's Harbor, at Detroit, at New Orleans; the shores of the Chesapeake ravaged, and the Capitol burnt by a handful of English soldiers, in the presence of more than 15,000 militia, after whose retreat before this battalion of regular troops, 9,000 stand of arms were picked up on the field—left behind by men flying from 1200 red coats!

Gentlemen upon their plantations may calculate their individual safety by distance from the sea-board; but this country must hold its place in the society of nations, and consult its safety by being prepared to maintain it. A simultaneous invasion of this confederation at three, or more remote points, would find but a miserable defence in 6000 soldiers; and the late war furnished too many deplorable evidences of the fatal deficiencies of men in high command, when the exigencies called for a knowledge of the range of grape and musket shot.

The true policy of our government, at this time, would be to organize two corps of 20,000 men each, for three years, to manifest the capacity and the determination to sustain the national institutions. Our good patriots, whose wisdom is in dollars and cents, would no doubt kick at such a project—and so we must even wait for events.

POST OFFICE.

Enumeration of Post Offices established and of Post Offices discontinued, in the period between the 1st of January, 1834, and the 1st of January, 1835.

	Established.	Changed.	Discontinued.
Maine,	4	1	3
N. Hampshire,	0	2	3
Vermont,	2	1	0
Massachusetts,	2	3	3
Connecticut,	1	1	3
New York,	10	7	9
New Jersey,	1	1	3
Pennsylvania,	5	2	7
Maryland,	3	0	3
Ohio,	5	3	13
Michigan,	5	2	2
Virginia,	1	2	16
N. Carolina,	3	1	9
S. Carolina,	0	3	5
Georgia,	3	1	5
Florida,	0	1	1
Alabama,	11	4	3
Mississippi,	5	2	2
Louisiana,	2	2	2
Arkansas,	3	0	2
Tennessee,	3	3	8
Kentucky,	3	3	6
Indiana,	4	2	1
Illinois,	13	6	7
Missouri,	4	2	2
	93	55	124

THE RETORT COURTEOUS!

A man who has for forty years pursued a consistent and constant course of public and private life, may be excused if he should not be willing to have his reputation filched away.

In the paper professing to be the very quintessence of Democracy and fidelity, a side wind attempt has been made to undermine this reputation. To those who are well informed it would be unnecessary to notice the circumstance. But there are tens of thousands who do not

know and cannot know the truth, unless it be presented in some more authentic source than the columns of a factious and dull newspaper.

A few days ago the Pennsylvanian set down the Aurora, as opposed to a reform of the constitution of Pennsylvania. Having for more than thirty years advocated amendments of the constitution, and on sundry recent occasions publicly declared the same opinions, all the answer which this imputation was entitled to, was,—*Ferdinand Lopez Pinto, was a baby compared with thee, thou liar of the first magnitude!*

In the same paper of Tuesday, the slanderer assumes another form. Among a list of editors or proprietors of papers, which it seems are guilty of supporting Governor Wolf, against whom no imputation has been even surmised, the *Editor of the Aurora is set down*, and as an evidence of the corruption of his motives, it is significantly stated, that the Editor is Prothonotary of the Supreme Court and an Alderman.

This is *prima facie* evidence of the Aurora being a servile supporter of Governor Wolf. Never accustomed to mistake our own case for that of the public or to confound them, this imputation after the career through which the Editor has passed, might be passed over with a long catalogue of others, which have fallen harmless at his feet; but the case is so peculiar, that it is proper to disabuse those who have been imposed on, and to inform those who do not know.

First evidence of corruption—the Editor is an alderman, appointed unsolicited by Governor Heister.

The amount of the bribe—the Alderman does no business—issues no warrants—receives no fees—and if he sits in the Mayor's Court during either of the four terms, receives \$1 50 cents per day—in the term just closed, he sat five days—*bribe* \$7 50 cents. So much for the Alderman! and now for the Prothonotary.

This office was bestowed on the Editor by Governor Wolf, unsought and unknown until it was announced; the Editor never applied for any station in this commonwealth but one: on his return from South America, he applied for an appointment as Canal Commissioner; having a taste and aptitude for that occupation—the application was not successful; he never applied for another.

Soon after Governor Wolf took the chair of state, and the appointment of Prothonotary was made known; a gentleman who was present related the occurrence. There had been several applicants; and the Governor was pressed to nominate several others, the Governor is reported to have said—"I have no personal acquaintance with Colonel Duane—but I can never forget his firmness and his services in the days of terror—he deserves the best office in my gift and he shall have it."

And under this impulse so honorable to both parties the appointment was made and accepted. It would be a most unmanly and ridiculous squeamishness to say, that such motives so expressed, did not make a deep and indelible impression on the mind of him so distinguished; and base must be he who would desert, or not vindicate a man whose principles and spirit were so much in accord with generosity and justice, and against whom defamation has not yet spat its saliva.

But the bribe of the Prothonotaryship!

Let us see what it is worth! Indeed we are not displeased at an occasion which invites the exposition. It affords an opportunity to exhibit a state of things which may benefit others hereafter; it can do nothing more than counteract a slander as to the present incumbent.

Prior to the present organization of the Courts of this Commonwealth, the jurisdiction of the whole state was single, and there was but one Prothonotary, and one Supreme Court. The emoluments, at that time, averaged \$16,000 a year. The State was afterwards separated into an Eastern and Western District; and the functions of Prothonotary were then divided.

The great accumulation of business was found too much for the Supreme Court. A new Court, with original jurisdiction, was constituted, with an appeal to the Supreme Court. Here was another subtraction from the emoluments of the Supreme Court,—as the lawyers, (for the sake of *two chances*, a trial and an appeal,) entered their suits in the new Court. The Prothonotary of the Supreme Court came, by this means, to have very little to do—of course emoluments proportionately reduced.

In the spirit of reform, which arose about the period of creating the new court, a principle was devised, which should limit the fees in each office to sums stated. The allowance for the Supreme Court was limited to \$1500—that is, if the Prothonotary received \$1500 fees, he might keep it; but if he received less, he must, whatever the sum, 500 or 1000 dollars, provide clerks, and pay them out of it; he must furnish printed blanks for all the forms of business; he must provide all the books necessary for the business of the office—dockets costing forty to fifty dollars; he must find stationary for the office, and for the use of the courts and juries—and sometimes two courts sitting at the same time. If the fees were \$1500, he was to have them—if they were no more than \$500, he was to have no more, and pay one clerk four hundred out of it, and another a more trivial compensation.

And such is the office, and such the emoluments which are put forth as the *purchase of the Editor of the Aurora*. A man must be very poor indeed, to whom such an office would be an object sufficient to purchase him. By a man of temperate life, little is required to sustain him; and so far the Prothonotary's office was exactly better than nothing. The motive with which it was conferred was liberal; and if it fell short of his expectation who conferred it, the honor and the gratitude is not the less. The portion of emolument which has fallen to the Prothonotary's share, after deducting the office expenses, has sometimes amounted to five, six, or seven dollars a week; a good journeyman printer would earn more, and there are *door-keepers* who do obtain much more.

So much for the Prothonotaryship. We cannot let the occasion pass without offering a few reflections bearing upon this subject. The general expression, *office-holder*, is used as a term of factious reproach. In this latitudinarian mode of interpretation, every man in public trust, is an odious or a corrupt man; and in this connexion of the sense, the seeker must be both odious and corrupt also; thus the account is balanced in factious logic.

In our common sense mode of viewing matters and things, we apprehend that the seeking of public trust, where there is fitness and worthiness, there can be no dishonor; but after a man has defrauded his creditors, and seeks to billet himself on the public; after a man has labored for six years to obtain an office, and failing, turns round to disturb society because he is disappointed; when, after having *boxed* the whole compass of parties and principles, he turns round and becomes a flaming Democrat; then, indeed, and where the pursuit is without merit or capacity, probity or fitness, then, it is a fair object of reprobation.

Now we have in our mind's eye a list of names, men who are active, the only active men in promoting the present division in the Democracy, men who have applied for the office of Alderman, to Gov. Wolf, without success; nay, some whose application *we refused to sign*; others who *failed* to obtain offices in the courts—others who avow an expectation of being appointed judges, should the Mayor's Court be abolished; and these are *the very men* who cavil at the *Editor of the Aurora*, holding a starving appointment, and an unproductive Aldermanship. It may be asked—Why not publish their names? Our answer is—We are not *assailants*; they have provoked a rebuke. We shall do nothing to aggravate the division which those very silly men have produced.

THE EDITOR.

HISTORICAL UNCERTAINTY.

Neibuhr, a learned German, has earned a high reputation by an exhibition of the uncertainty of Roman History. A French writer travelled in the same track half a century before him, and the Jesuits (Cotrou) Roman History twenty years before.

The basis of all liberal knowledge, after acquiring a proper knowledge of the signification of words, and applying them to form, number, and color, which all sensible objects have, consists in a right acquaintance with our own persons, every thing in nature having in our practical conceptions special reference to man.

The knowledge of the terrestrial system in connexion with the solar, is best studied after a suitable knowledge of geography is obtained, that is a proper knowledge of the great chart of our globe. This is to be acquired perfectly only by obtaining a particular acquaintance with some one part, and so proceeding from part to part till there shall have been acquired a due knowledge of the whole—from a field or a village, to a township or a city; thence to several combined as in a state; and then to the congregation of states, as the Federal Union; and so to the section of the globe, and each of its terrestrial and marine parts.

The study of geography should go hand in hand with history, and history should lead, in the analysis; but before practical geography and practical history are taken up; some ideas should be obtained of astronomy, which is the regulator of time; as chronology is the recorder.

We must understand in proceeding upon such studies, that our object being knowledge, we must distinguish between what is merely traditional and what is authentic; between narrations of facts and the inventions of poesy, parables, apologues, or fable. And we must be prepared to find among the ancient historians contradictions and disagreements, which are to be accounted for only in the different circumstances of the nations or the narrators, and the greater or less progress which they had made in the exercise of the intellect.

So that history must be the adjunct of astronomy; geography, and chronology, the conductors of both.

The idea of forming any certain judgment on the origin of man, and of society, or even of the sciences and arts, is so vain, that it had better be left to maturity, if it be at all useful for speculation. Our only course with the faculties we possess, and the traditions which have devolved upon us from former ages, is to take what is given for its value, not to disparage nor to worship it for its antiquity. Not to reject without full ground, nor to accept whatever is repugnant to the known laws of nature.

In this spirit, with good maps in hand, we may enter upon what is given us by ancient times; and here we find occasion for our chronology. But we are surprised to see this path which appeared simple and individual, divided and diverging into paths unequal and incongruous, and history partaking of the confusion.

We find numerous nations asserting different, and immensely different spaces of existence, of these there are the Hindu, the Chaldaic, the Phenician, the Egyptian, the Chinese, the Persian, the Grecian, and the Hebrew, all comprehended in ancient history; and there are writings or traditions, which profess to sustain each severally. Those writings are unequal, and betray many defects to modern criticism. But generally they have all had some foundation in reality, however disclosed by accident or artifice.

Much of the difficulty in relation to any history is to be obviated by the distances which separated nations, and the little intercourse which prevailed between them. Pythagoras, Thales, and Plato, travelled into India and Egypt, and the occurrences are marked as wonderful. The knowledge those philosophers acquired produced great revolutions in society, and it is at the time of their adventures we are to mark a starting point in history and chronology.

How far the Phenicians and Egyptians may be consider-

ed as deriving in common, is very uncertain; though it has been suggested on opposite sides, that the Phenicians borrowed from Egypt, and that Egypt borrowed from Phenicia. It is a curious topic of recent modern speculation, to trace in the Phenicians, who were the Pelasgi, the philosophy and the system of the Hindu reformer Boodh, whose mythology is recognized in existing monuments at this day, and whose tenets embraced a vast tract of 40 degrees in breadth, whose base was on the peninsula of Malacca, and its apex on Ireland, and the extreme west of Europe in that broad range.

The mythology of India, Phenicia, Chaldea, Persia, Egypt, and Greece, betray a common origin; but their history is not only broken and imperfect, but intermixed with allegory and supernatural notions. Much care is to be used in judging upon such frail materials, but they lead to an illustration of history when it has become more special and authentic. When Hebrew traditions come to be mixed up with Greek, we have the same anomalies as between India, Phenicia, and Egypt. Fables and abstractions, become so homogenous with ordinary transactions, as to render both marvellous, and not very useful to certainty.

A manual or companion to the study of history is very much wanted, Blair's is too voluminous and cumbrous, and adapted to a hypothesis; and Priestly is too limited; neither of them adapted for the reading desk. Such a book might be comprised in a duodecimo, which would comprehend all the chronological theories that are known. It should simply narrate what each says for itself, and adopt no theory of preference. It should not controvert those who ascribe earlier antiquity to India or China, Egypt or Phenicia; let them each say for himself. We should then better comprehend the histories of the several countries, and the variety of systems would afford data divested of prejudice for a fair appreciation of them all.

But as history is now usually studied, knowledge is very much discolored, and rendered uncertain by being prosecuted under prejudgments; and in no respect is this uncertainty more contradictory, than the different degrees of authority which are deduced from simple antiquity. To be very ancient is to be very true, is one of the canons of history. But the ancients were very ignorant, and unequally ignorant of facts with which the moderns are familiar.

But this canon of antiquity has also a qualification—that which is more ancient is not of the same authority as that which is less ancient. Chronological, historical, and astronomical antiquities, are affected to be measured and given out in degrees of authenticity—and various nations establish their own standards of epochs—

Thus the Chinese, who in common with all the civilized Asiatics adopted the Sexagessimal cycle of 60 years, a ratio which equally applies to the graduation of the ecliptic; they say that 75 cycles have elapsed, and that they are now in the 76 era, which commenced 2700 before our epocha, and 350 years before the vulgar era of the Noatic deluge.

On the other hand the Hindus had a variety of systems, all based upon the Sexagessimal theory; but though possessing a certain similitude in the application of numbers to terms, varied in amount, to an unmeasurable extent. That system of epochas called the four ages of gold, silver, brass, and iron, which the Greeks accommodated to their mythology, was derived from the Hindus. The latter of their four ages, the *Cali-yug*, or age of iron, they place 3901 before our era, or 750 years before the Noatic flood.

There are disagreements between the Chinese and the Hindus. But the Mosaic not only differs from them both, but it is differently calculated and stated by its first authorities. To show how necessary it is to study all, in order to obtain either truth or the certainty of uncertainty, we must look at the authorities, or a few of them, merely for illustration.

According to our version of the Hebrew, the period from creation to the flood, was	-	1636 years.
The Samaritan text says	-	1307 "
The Septuagint,	-	2262 "
Josephus,	-	1556 "

Or, according to the Samaritan Pentateuch, the creation was before our era,	-	4700 years.
By the Septuagint,	-	5872 "
By the Talmud,	-	5344 "
The Early Fathers,	-	5502 "

Here are discrepancies which are still subject to historical doubts, since it is so well substantiated, that about the second or third year of our era, a learned adventurer, who had changed from the Hebrews to the Christians, and recanted again, had, with a Sanhedrim of Jews, reduced the chronological period of the Mosaic account in the Pentateuch, with the view of invalidating portions of the Jewish books which the Christians had cited as testimonials of the Messiah.

Enough is here said to show, that to know history we must know it, not from those who have any interest in its mutilation; and, by knowing what is true, or what is given as true, at first, we leave nothing to unlearn, as it is the fate of every one who reads History in the *harum-scarum* way that is now the general practice.

The interpretation of the hieroglyphics of Egypt presents a sort of new revelation,—it concurs with none of the received notions of Chronology; so that it forms a fourth prominent and indisputable record of time, alike varying from the Chinese, Hindu, and Hebrew.

Such being a few bold and characteristic facts—we arrive at the necessity of taking each upon its own evidence, or discrediting them altogether—which we must do, if we implicitly adopt any history that is written; say, for example, the English Universal History, or that more concise and elegant abridgment, in nine volumes, by *Segur*.

We do not refer, in any form, to the researches of *Neibhur*, which are wholly critical. We notice, only, those which go into general use, are adopted as infallible, from Herodotus down to Blair's Abridgment.

In the same way, nothing can be more unlike, than the ideas of Geography, which prevailed in ancient times, compared with the modern. But there is a curious peculiarity even in this.

In our Literature, meaning that of Europe, from which we derive it, we are presented with only a part of the world, and told it is the whole. Thus Greece and Italy were the extent north and west, and an undefined notion of India in the east. The Mediterranean, the Euxine, the Caspian, and the Persian Gulph, which extended over little more than 20 degrees of longitude, by 12 degrees of latitude, or 1000 or 1200 miles, was to those from whom we derive, the whole world.

Arabia and Egypt lay south. Babylonia and Assyria, Media, and Parthia, were of later knowledge, compared with the rest.

The United States contain a population, at this day, equal to what was called the whole world. But the East had not then shed her sun upon Europe. The Hindus formed a nation by the union of two tribes, one of whom claimed to be the descendants of the *sun*, and the other from the *moon*.

These people, whose history is only opening upon the world, present records and astronomical data, which prove, that long before Greece had a name, this race had perfected knowledge to a degree, in many branches, which even the moderns have not excelled.

Among other evidences of the great length of years which it must have required to gain progressive experience, and fix the principles of true knowledge—the Hindus had the solar system, such as is now called Copernican, or Newtonian. They had some equivalent for gravitation, because the laws of their philosophy, and the

central position of the sun, and the revolutions of the planets, were in established practice among those people. Music had reached a critical excellence, and among them may be found the philosophy of the Greek schools—the logic—the rhetoric—the poesy—and the drama—prior to the Greeks. Yet these were shut out of the world of which we have our accredited histories.

Neither were the Chinese comprehended until more modern days, and so we must read History now, as we read the topography of a township or district—with a due allowance for the *local partialities* of the historian, and without disparaging what is not comprehended in the description.

The ancients knew very little of the earth's extent or surface. Homer, and the Greeks generally, described all who were not Greeks as *barbarians*, supposed to be the national name of a rude people, who occupied part of Africa. Thrace was, with the Greeks, the region of hyperborean darkness; the countries now known as Russia and Tartary, were supposed to be an ocean, of which the Caspian was an estuary, the whole surrounded by a sea 500 miles broad.

Eratosthenes and Strabo enlarged the terrestrial space; but omitted China, a great part of India; and comprehended all Africa in Lybia; nor were Herodotus or Pliny less absurd; they referred every thing to the Mediterranean,—and the priests of Delphos taught that the temple of Apollo was the centre of the world, as the Chinese say of Pekin at this day. Beyond the Levant all was inscrutable. They believed the earth to be a plain, the whole extent of which might be seen from a moderate elevation.

It is a prevailing opinion among historians of antiquity, that there was a period when letters were not known, and they infer that very soon after the invention of alphabetic writing, there were chroniclers employed to record passing transactions. The fact is of no real moment, and the great variety of claimants to the invention, proves no more than that it was introduced at different times in different nations; as to chroniclers, perhaps the immemorial practice in Asia, and at this day throughout India, every petty chief retains among his domestics a chronicler. There is an establishment for this purpose, in every court, or durbar, and there are, in constant employment, a number of *hircarufs*, or messengers, who pass every day from the circumjacent courts, relate their news, and copy from the records for the information of their masters. How soon after the invention of letters such an institution arose, may amuse, but it cannot benefit the student of History.

The Greeks are said to have had writing from 1300 to 1800 years before our epocha. They say Cadmus introduced letters from Phenicia. The modern Egyptians ascribed it to Memnon, who is supposed to have borrowed it from the Hindus.

But the Chinese record an eclipse 2800 years before Christ, and the Hindus an eclipse 3180 B. C. Alexander found at Babylon astronomical observations for 1900 years; and he lived 330 B. C. The Egyptians claimed 4000 years. Herodotus claims for the Egyptians 17,000 years before the reign of Amasis.

The learned *Champollion*, whose death is a loss to knowledge, has unravelled some hieroglyphics, which restore to credit much of the Ancient History of *Berosus*, which the partiality of theoretic chronologers discredited, merely because it did not concur with the Hebrew tradition as to a flood.

The *Ancient History* of Phenicia was cast off as fabulous in the same way, and for the same reason. We refer to *Sanconiatro*, generally given as the name of an author; but it is a compound of two words, and a termination—and signifies exactly *ancient history*—which professed to give the Chronology of 10,000 years. *Eusebius* says the book was written 1150 B. C.; but he speaks of the book as of an author—a proof that he did not under-

the
gr
in
the
tion
is
ge
req
ma
C
sur
sub
of
info
posi
by t
syst
has
whic
from
syste
delic
peter
impo
deav
lessn
In
State
mon
somet
wante
may b
have
tee of
officer
and it
purpos
under
After
nued th
passed,
in the
1791, i

stand that of which he spoke. The work was treated as unworthy of credit, because it does not notice a deluge in that period; but the Vedahs of the Hindus have a *prataja*; for some reason, however, they are also discarded with the Sanconiatheo.

The progress of the development of Oriental antiquities is very slow, the Missionaries, within the last fifty years, having combined to turn the stream backward. Nothing is gained for the objects which they profess to pursue; and their labors, in opening the paths of knowledge, through the languages, have a tenfold tendency to reveal what they would suppress. The progression of development, though very slow therefore, is very sure. A single work, in two volumes, 4to. by Col. James Todd, at the Bengal army, has closed the mouth of prejudice for ever. It was a matter of constant exultation among the *Dampers* of Oriental Research, that the Hindus had no History!

It was said they had grand epics, inspired boks, renowned lawgivers, profound astronomers and mathematicians—but no historians! The Moslems had conquered, like all other invaders—Christians, as well as Jews and Tartars, Spaniards and Britons—and sought to find an apology in the oblivion they sought to create. Col. Todd's work overturns those *pious* labors which would damn the History of a people, under pretence of saving their souls? Henceforth the Hindus are a hisrical nation, as much so as the Greeks and Romans.

REPORT

FROM THE SECRETARY OF THE TREASURY,

On the Present System of Keeping and Disbursing the Public Money.

TREASURY DEPARTMENT, }
December 12th 1834. }

In conformity with a suggestion made in the annual report from this department, the undersigned now proceeds to submit to Congress some further considerations on the present system of keeping and disbursing the public money.

It is one of his general duties to present annually view of the condition of our finances. An essential part of it condition is the manner in which the revenue is kept, from time it is collected until it is disbursed. Another of his duties is to digest and prepare plans for its management; and he is presently required to "give information to the Legislature respecting all matters which shall appertain to his office."

Considering the unusual excitement that has attended measures and discussions of the past year, connected with the above subjects, it would, probably, be deemed a neglect or omission of proper responsibility, if the undersigned did not submit full information concerning the places where our revenue is deposited and kept; the principles on which the selection them by this department is justified; the mode in which the existing system for the preservation and disbursement of the public money has been found to operate; and the advantages, or disadvantages, which are likely to result from a return to any former system, or from the adoption of any proposed improvements in the existing system. He will, therefore, proceed to the performance of this delicate and difficult task with an unfeigned distrust of his competency to treat those subjects in a manner becoming their great importance, but at the same time with a firm resolution endeavor to discharge the duty, so far as in his power, with fearlessness, impartiality, and fidelity to the public.

In regard to the places for keeping the funds of the United States, it is believed that, under our first organization of common treasury, no such places were ever designated by law; sometimes the loan offices, and unless, for such funds were wanted in the field, the military chests accompanying them may be so considered. The residue of the funds is supposed to have generally been deposited for safe keeping, as the Committee of Congress, when having charge of them, or the Treasury officers, when such had been created, were pleased to act; and it is well known, that by them banks were selected this purpose as soon as any were incorporated in convenient places, under either State or Federal authority.

After the present constitution was adopted, the usage continued the same until 1809; no law having ever been previously passed, which required the deposits of public money to be made in the first United States or any State bank. But, from 1791 to 1791, it appears that the Bank of North America, in Penn-

nia, by which State as well as by Congress it had been incorporated, continued to be employed by the officers of the Treasury under the direction of the Secretary, and in the exercise of his supposed legal power over this subject.

The three Banks of Massachusetts, New York, and Maryland, incorporated in those States, under those respective names, were also in the same way next selected and used. After 1791 the former United States Bank was, by this department, voluntarily added to the number. In 1809, by the act of March 30th, the first express legislation took place as to the use of any banks whatsoever as places for the public deposits, and that extended only to "the public monies, in the hand" of disbursing officers, and required them to be kept, "wherever practicable," in some "incorporated bank," and that bank to be selected or "designated for the purpose by the President of the United States." The deposits by collecting officers were left untouched, they having been already, as before named, usually placed in banks, and those banks selected, not by the Treasurer, or Congress, or the President, but by the Secretary of this department, or by his direction, under the power, confided to him by acts of Congress, of supervising the finances and the doings of the subordinate officers in the Treasury. A committee of the House of Representatives, May 22, 1794, made a very able report on the condition of the Treasury, in which, on this point, they remark, that "the Treasurer, pursuant to general directions from the Secretary of the Treasury, keeps the public monies under his control in the several banks," &c. In February, 1811, before the charter of the old Bank expired, but after its renewal had been refused, Mr. Gallatin, by his own act, and not by orders to the Treasurer, and without consulting Congress, then in session, proceeded to select other banks, incorporated by the several States, and to remove to them the deposits of the public money. As appears in his report to the House of Representatives, January 8, 1812, he entered into arrangements with them in many respects similar to those now in operation.

After this change, the usage and law on this subject continued unaltered till 1816, when it was provided in the charter of the present Bank of the United States, "that the deposits of the money of the United States, in places in which the said Bank and branches thereof may be established, shall be made in said Bank or branches thereof, unless the Secretary of the Treasury shall immediately lay before Congress, if in session, and, if not, immediately after the commencement of the next session, the reason for such order or direction."

Whether this was or was not intended to include the deposit of money in the hands of disbursing as well as collecting officers, all difficulty was avoided on that point by the President, in giving directions, as has lately been done, to have the same banks used by the former as were used by the latter class of officers.

In the discussions of 1814, which led to that charter and the above reservation, it was distinctly averred to be necessary that such a reservation or power should be retained in order to ensure to the Government some further control over the Bank in case of the adoption of the provision in the bill, giving to the former only five out of twenty-five directors. Because, in a case like that which has been witnessed during the past year, a distinguished advocate of the present charter, with the spirit almost of prophecy, declared, "twenty directors would always vote down the five proposed to be appointed by the Executive, if there should arise a contest between the Government and the Bank. But there was another means of protecting the Government against the Bank, more potent and certain than any such provisions: let the United States retain the power over its deposits, and over the receipt of bank notes in payment of duties and debts to the Government, and it would possess a sufficient control over the Bank."

The power to remove the deposits from the Bank, thus reserved to the Secretary of the Treasury in the charter, was exercised in repeated instances, to a limited extent, within the first three years after the reservation was made, as well as to a larger extent on a more recent occasion. But the power reserved in Congress in the charter, to withdraw from the notes of the Bank the credit given by the Government's receipt of them in payment of all its dues, has never yet been exercised, though still possessed in full force, and originally intended as a legitimate weapon to counteract or punish any improper conduct on the part of the Bank towards the Government. It is well known that about the 1st of October, 1833, in the manner provided by the charter in the clause just quoted, a change in the places of deposit was made, from the United States Bank and most of its branches to certain State banks, by the direction of the Secretary of the Treasury, and under the controlling power on this subject exercised by that officer from the first organization of this department; repeatedly recognized and approved by Congress before 1816, and at that time expressly reserved to him by Congress in the charter to the present Bank. In consequence of the above-named change in the place of deposit, the general accounts of the Treas-

urer and most of the public officers have, since last October, been gradually brought to a close with the United States Bank and most of its branches; and arrangements are in progress to dispense with the services of all of them on general subjects before the charter shall expire, and soon, if practicable, without great inconvenience or expense to the public.

For certain special objects, such as the payment of the debt and of pensioners, (the last not construed to include the persons provided for by the acts of Congress of May, 1828, and of June, 1832,) the Bank and all its branches have yet been retained as depositories and agents, under an impression that it had, by previous acts of Congress, a right to perform these duties until relinquished by its own consent, or until the acts were repealed.

After the charter shall expire, no difficulty is anticipated in having any of these duties, which may then remain, discharged by State banks. But if any should occur, it will become necessary to devolve these duties on some responsible receiver or collector already in office, or on some safe agent not now in office, as has been the practice for years in this country, in paying pensions at convenient places, near which there was no State bank or branch of the United States Bank, and as has long been the usage in some of the countries of Europe, by having the public revenue in certain districts chiefly received, kept, and transmitted, through private agents and brokers. This kind of personal agency, however, is, in the opinion of the undersigned, to be avoided, in all practicable and safe cases, under our present system of selected banks; because it would render the system less convenient, less secure, and more complex, if not more expensive. Hence it has not yet been resorted to.

But it was considered proper to mention this contingency, in order that its effects, if ever anticipated, may beforehand be duly weighed in the examination of the whole subject; and to add, that if this contingency be extended to the whole establishment of State banks, as well as of the United States Bank, on the possibility that they may all cease to exist, or may refuse to receive and manage the public deposits, (however improbable the occurrence of such an event may be,) the fiscal operations of the Government could undoubtedly still proceed, through the personal agencies before mentioned. It is admitted, however, that it would be at some inconvenience, and some increase of expense, unless remedied in a manner that may hereafter be developed, and would not, in the opinion of this department, and in the present condition of things, be so eligible a system as the present one. Because banks, though exposed to some dangers and evils, and though not believed to be necessary for the fiscal purposes of any Government, and much less of one in the present happy financial situation of ours, are frankly acknowledged to be, in many respects, a class of agents economical, convenient, and useful.

A document is annexed, giving, first, a schedule of such State banks, amounting to thirteen in number, as had previously, to about the 1st of October, 1833, been selected and retained in connexion with the United States Bank; another list, of twenty-six in number, of such as were then, and have since been, selected under the general arrangements adopted for the chief deposit banks; and a third list, of three in number, of State banks, since selected for limited purposes, and with limited duties, like many of those before 1833.

Some of these selections, and the consequent changes in deposit, it will be seen, have been made since the last session of Congress. But as the reasons to justify the general removal of the public deposits from the United States Bank, were assigned to Congress at the proper time by the proper officer, it is not deemed either necessary or pertinent to offer any new ones in justification of the changes made since, merely to complete the measures previously arranged, commenced and vindicated.

But the power of removal being distinct from the reasons assigned for the act of removal, and, having been exercised subsequently, wherever the new banks before named have, in suitable places, and in fulfilment of the system then adopted, and for the reasons then stated, been selected, it has been considered proper to suggest the usage and laws under which this power of removal or selection has been exercised by the Secretary of the Treasury on the last occasions, and probably on all previous ones. The same usage and laws will doubtless be considered a sufficient justification for a continuance of the exercise of the same power by this department, under a due sense of its duties and responsibilities, until Congress, the body conferring the power, becomes convinced that it is liable to be used for reasons not satisfactory, and should therefore be withdrawn, and either confided elsewhere, as in the case of disbursing officers, it is now confided to the President, or be reserved to be used only by Congress itself, whenever a case arises in which it deems the exercise of such a power proper. The laws passed by Congress, and the fiscal regulations made in conformity to them, now in truth govern the whole subject. The money itself is rather in the virtual control of those laws and of Congress, the body making them, than in the control of any one officer, or any number of officers. No executive

officers of any kind have even the possession or custody of that money, except as mere ministerial agents, and then they have it in pursuance of those laws and regulations; and, when those are constitutional, are bound, and have a right to exercise it in the due and necessary administration of them.

Their possession and custody of it exist generally in that way, though thus becoming in almost every case a constructive, and not an actual possession or custody, unless they are collecting or disbursing officers, who hold the money before or after it goes into the Treasury. But even then they usually deposit the money early in some bank, as before explained.

While the money is considered to be in the Treasury, whether by construction of law, or in point of fact, it is ordinarily in the actual possession or custody of some third person, in most cases a Bank corporation: and the Treasurer himself, or the Secretary of the Treasury, or any other officer, however they may, in the manner before named, have the custody of the money, or may alter the mere places of its deposit, are no more empowered to take money out, or remove it from, the Treasury itself, than any stranger, except to discharge an appropriation made by Congress, and on a warrant having the sanction of all the officers required in ordinary cases by the laws and the established regulations. A copy of such a warrant, in the form invariably used, the last four years, is annexed for the information of Congress.

Having described the places where our revenue is now deposited and kept, and the principles on which the selection of them, by this department, is justified, the undersigned will proceed to offer some considerations on the other topics proposed, as to the mode in which the existing system for the preservation and disbursement of the public money has been found to operate, and the advantages and disadvantages which are likely to result from a return to any former one, or from an adoption of any supposed improvements in the existing system. On this occasion, and in the present financial condition of the country, these are believed to be not only legitimate subjects of inquiry, but such as require that all the information in the possession of this department, tending to elucidate them, should be promptly and unreservedly communicated to Congress. To discharge that duty with any degree of clearness and satisfaction, it will become indispensable, at the risk of being considered tedious, to enter into an analysis of the subject, and to submit such remarks as are deemed appropriate—

On the convenience of the location of the selected State banks, when compared with any other system for the accommodation of the public officers as well as of the public creditors;

Their safety as depositories;

Their comparative ability to transfer the public funds to the places where they are wanted, and to perform any other services properly required of a fiscal agent;

Their commercial utility in respect to exchanges;

The goodness of the money in which their payments are made;

Their comparative aid as bearing on commerce and political economy in the regulation of the currency of the country at large; and, in connexion with these several topics.

The advantages or propriety of resorting to some other system instead of the present one, improved as it may be, and which other shall resemble that recently in operation under the United States Bank; and, in order to secure the supposed superiority of such a one in any respect, to provide for a new incorporation of some National Bank, either with or without an amendment of our present constitution.

1. In regard to the convenient situation of the selected banks, whether looking to the accommodation of the public officers or of the public creditors, it is believed to be fully equal to that of the United States Bank and its branches. Some banks have been chosen in places in which none were before employed, and in this respect facilities for deposits and payments have been furnished nearer to some points where our collections and disbursements are very considerable. In this way, as it is now an established rule, long practised, in most cases, by this department, and revised and republished in 1827, to make payments generally at the banks nearest to the residence of the public officer or creditor to be paid, or to the place where his services were performed, the payments under the present system have been made equally near, and sometimes nearer than formerly. The departures from this usual course never occur without the consent, and, indeed, the request of the persons interested. So far as these departures may in cases be deemed favors to those persons, they were formerly granted on application to the department, under such circumstances as the public interests, on the assignment of satisfactory reasons, appeared to permit. The same course of indulgence is now pursued; it is that most convenient to the public in general, as well as to the Treasury, and the only one feasible under any system without incurring the unnecessary and inconvenient expense of furnishing funds enough at every different point of collection and disbursement to meet, not merely the

ordinary and usual expenditures in the neighborhood of each point, but all the drafts which caprice, speculation, or a high rate of exchange, might induce officers or creditors to draw on places greatly remote from their residence, or from the theatre of their public services.

2. The safety of the newly selected Banks is the next subject of inquiry. The chief change in this respect under the present system has been in procuring the separate responsibility of several institutions for separate and smaller sums of money, instead of the single responsibility of one institution for a very large sum, and in having the guarantee of State laws and State supervision over the conduct and solvency of these separate institutions, combined with the information and cognizance of this Department and Congress as to their condition and prospects, by means of their weekly returns and other general sources of intelligence, instead of the guarantee of the acts of Congress, and the supervision of the United States Government over the single institution formerly and chiefly employed. Considering these differences, coupled with the fact that the selected Banks, without disparagement to others, are, or ought to be, chosen from the most flourishing and secure; that they can be changed whenever any circumstance may indicate a change to be prudent; and that collateral security can be required whenever the deposit is so large as to seem to render it judicious; that the Government possesses superior advantages in case of their embarrassment, and that the whole capital stock must be lost before the deposit debt will become desperate; there certainly can be no very disadvantageous comparison in theory between the safety to the Government under the present rather than the former system.

In practice, thus far, no loss whatever has been sustained by any of the newly selected Banks, or does any particular reason exist for anticipating a loss. It is due to them to remark, without derogating from the reputation of other banking institutions whose condition is less accurately known to the Department, that the weekly returns of the selected Banks show all of them to be in a secure, and most of them in a very flourishing condition; and that the whole of them united, on the 1st of July last, possessed specie, in proportion to their notes, in circulation, greater than did the Bank of the United States, or the Bank of England, on the 1st of January last; and that their immediate demands upon them, including the whole of their large public and private deposits, have since been constantly improving, and are quite equal to those of most banking institutions in existence, and to what is required by the most approved banking principles.

A table illustrating this subject has been prepared from the latest returns and estimates accessible to the Department, and is annexed.

The losses which have formerly been sustained by the General Government, through the failure of certain State Banks, selected, according to the impressions of many persons, principally, if not entirely, between 1811 and 1816, or between the expiration of the old and the passage of the new charter of the United States Bank, have been frequently adduced as objections to the safety of the present system, and, without some detailed examination and careful discrimination, are, it is freely admitted, calculated to awaken some doubt as to its ultimate practical security.

But it is a memorable fact, connected with this inquiry, though often represented otherwise, that not a single selected State Bank failed between the expiration of the old charter and the grant of the new one; and that none of our losses included in our unavailable funds, happened until some time in 1817, after the United States Bank was in operation. Then, whether "destroyed by an exertion of the power of the Bank" alone, or, as is more probable, by numerous causes combined, it appears, from a careful analysis of the unavailable funds which we have now, and formerly had on hand, that some of the selected State Banks became embarrassed.

From the course of public collections and disbursements, and the balance of trade, having both been in favor of the East against the West, and from a desire to sustain the new operations of the United States Bank, a transfer of funds through its agency, and a consequent drain of specie from the Western deposit Banks, then took place. Then the Government stocks, acquired by the patriotic loans of some of the State Banks during the late war, were in some degree sacrificed in several instances, to enable them too early and suddenly to resume and support specie payments, and, by means of these and other causes united, seven out of about sixty selected Banks proved unable to meet all the demands on them with promptitude. Had the change of specie payments been less sudden, and further time been given to transfer deposits which had long been accumulating in the paper of various Banks, and which were large in amount, and very inconvenient and expensive at once to convert into specie and to remove to a distance, it has been conceded by an officer of the United States Bank itself, that no failures of the selected Banks, at that time, would probably have happened. As it was,

the whole indebtedness of the seven, as deposit Banks, when they failed, was only \$139,010; and they have since paid to the Government \$133,169, on that and bills of theirs held by the Government elsewhere. These payments, if all applied in the gross to discharge their whole deposit liabilities, would leave due, independent of some interest, only the small sum of about \$6,000; or, if applied to each Bank respectively, only about \$17,000, as can be seen more fully in the tabular statement. Whether the Government, or the United States Bank, whichever had most agency in the course adopted, acted with indiscretion in pressing them so suddenly, severely, and in a manner so different from that pursued in England two years after, in the resumption of specie payments there, it is not now difficult to decide, especially when we find that, under all the calamities from that course, and other causes, those seven Banks have since adjusted so nearly their whole liabilities as depositories, and that one of them has adjusted every liability of every kind. A statement annexed shows the sum, without interest, now due on any account, from each of these and all other embarrassed Banks, and the year of both their failure and selection, and distinguishes those which were debtors, but not depositories, of this Department. Notwithstanding the continued operation of some of the former causes, to low prices of produce, the high rate of exchange against the West in favor of the East, in 1817, '18, and '19, and the wide-spread commercial distress in the latter year, bringing the United States Bank itself to the brink of stopping specie payments, if it of bankruptcy, it will be seen that only four more deposit Banks suspended payment between 1817 and '21, and of these four within those three disastrous years, one only was in 1818, which has since paid all its debt; another in 1819, which owed only about \$17,000, as a deposit Bank; and two in 1820, both of which have settled every thing originally due.

Thus the truth on this much misunderstood and misrepresented subject appears to be, not only that one failure of a selected bank did not occur within the period while no United States Bank was in operation, but that of those which afterwards stopped payment within three or four years, chiefly from the causes before mentioned, and a part of which causes produced eight or ten-fold as many failures in England, under the full control and influence of a National Bank there as well as here, four of the number he since discharged all their liabilities; and the residue of the liabilities of all the others, as deposit banks, in the manner here estimated, is less than \$35,000. This is not the title of the sum which has frequently been lost to the Treasury by the failure of individual merchants to discharge only their obligation for imposts; not equal to the sum frequently lost by the failure of many single disbursing agents connected with the different departments of the Government, and under large bonds for security; not a sixtieth part of the three or four millions lost by the United States Bank in that period of severe trial, and a large portion of it on the seaboard, near the close supervision of its principal officers; nor, indeed, but a small fraction of the loss sustained by the Government through the United States Bank itself, during the same period, by the failure of the latter to pay to the former the same amount of dividends which otherwise would have accrued, or to pay dividends equal to the interest the Government was then paying the Bank on the seven millions of funded debt subscribed to its capital stock; or, by its failure during even the past summer, to pay over the recent dividends on its stock which actually accrued, and have been unfaithfully withheld from the United States, to an amount exceeding more than four times all the above losses by those State Banks. What reference to the indirect injury and embarrassment cast to our fiscal concerns, as well as to the community, at those of the short suspension of specie payments by some of the State Banks, it appears that our greatest losses by public depositories, and by unavailable funds of any kind, occurred among the State Banks selected, not between 1811 and 1816, but before or afterwards, and in aid of the United States Bank. They occurred, likewise, not between 1811 and 1816, but in 1821, 1824, and 1825, some years after the latter Bank had been in full operation, and had exercised all the functions in its power and inclination, either to furnish a sound currency, or to regulate it, by improving the condition of the State banks.

As the causes of these last and most important failures, having from time to time, as the table shows, to the very last yet this branch of our inquiry has no particular concern except to discriminate them from others, and from any special connexion with the system that prevailed from 1811 to 1816.—Where they arose from an unsound policy pursued by the United States Bank, or from circumstances which, under the present system, neither legislation nor caution can always avert, or from less justifiable reasons, and in spite of all the salutary influence the National Bank could exercise, it is a singular fact, in this description of public debtors, the selected banks, there is not now due on deposits, from the whole of them, what they have ever stopped payment from the establishment of the

Constitution to the present moment, a sum much beyond what is now due to the United States from one mercantile firm that stopped payment in 1825 or 1826, and of whom ample security was required and supposed to be taken under the responsibility of an oath.

If we include the whole present dues to the Government from discredited banks, at all times and of all kinds, whether as depositories or not, and embrace even counterfeit bills, and every other species of unavailable funds in the Treasury, they will not exceed what is due from two such firms. Of almost one hundred banks, not depositories, which, during all our wars and commercial embarrassments, have heretofore failed in any part of the Union, in debt to the Government on their bills or otherwise, it will be seen, by the above table, that the whole of them, except seventeen, have adjusted every thing which they owed, and that the balance due from those, without interest, is less than \$82,000. Justice to the State banking institutions, as a body, whose conduct in particular cases has certainly been objectionable, but whose injuries to the Government have been almost incredibly exaggerated, and whose great benefits to it, both during the existence of our two National Banks, and while neither of them existed, have been almost entirely overlooked, has led me to make this scrutiny, and submit its results, under a hope that it will, in some degree, not only vindicate them from much unmerited censure, but justify this department for the confidence it formerly, and, in the great improvement of their condition and of the financial affairs of the Government, has recently reposed in them. Under these circumstances, so very favorable, with the new security and examinations provided for, if our former small losses by them, in keeping and paying over the public revenue, under circumstances so very adverse, are compared with our large losses, either in collecting or disbursing that revenue, their present safety seems to be as great as is consistent with the usual operations of the paper system, or with the credit which must always be intrusted by Government, in some way or other, to agents of some kind, in keeping the public money. In considering their safety, it should be constantly recollected, that the owners and managers of banks, when properly regulated by legislative provisions in their charters, are, like other individuals, interested to transact business securely; are desirous of making and not losing money; and that these circumstances, with the preference in case of failure belonging to depositors and holders of their bills over the stockholders, united with the security, if not priority, given to the Government, render them in point of safety, generally much superior to individual agents of the United States. It is to be further remembered that many of the former losses occurred indirectly and remotely from war and embarrassments, affecting deeply the whole community as well as banking institutions, and from the injurious influence of which calamities, banks, whether of State or United States origin, can never claim a full exemption; that the correct principles of banking were, at that time, less generally understood and practised than at the present time; that the selected banks, by the course of our expenditures and collections, were then exposed to more onerous duties and hazards; and that less full information of their true condition was then possessed by this department.

In the next place, the great increase in banking capital, from about fifty-three millions, in 1811, to seventy millions, in 1814 and eighty-five millions, in 1816, and the still greater increase in bank note circulation, from about twenty-eight millions at the first period, to seventy millions in the second, and one hundred and ten millions in the third period, with the sudden and great reduction in that circulation in 1817 and 1818, to about sixty millions, produced a fluctuation sufficient, standing alone, to disturb or derange the monied operations of society; and which, so far from being attributable in a great degree to the mismanagement of the State Banks, though some of them unquestionably acted with indiscretion, arose, as before suggested, chiefly from the suspension of specie payments south of the Hudson, in the autumn of 1814, beginning with the invasion of the enemy in this quarter of the country, and the consequent necessity of removing the specie into the interior for safety; from the over issues of paper, which naturally followed that suspension, and from the large and sudden contractions produced by the general and hurried resumption of specie payments in 1817.

Some of these circumstances, rather than the want of a United States Bank, caused most of the small number of failures among the State Banks which occurred between 1811 and 1816; and, combined with a few other circumstances, produced the most numerous and calamitous failures of 1817 and 1819, which here, like those in England at the same period, spread from customers, and debtors to some of the local Banks themselves; notwithstanding any favorable influence exercised there or here, respectively, by the two national banking institutions then in operation. Indeed, theirs and all their private habits, were still compelled, during that distressing period, to refrain from specie

payments; and our National Bank became so embarrassed as to be on the verge of suspending them.

3. The next inquiry relates to the comparative ability of the State Banks to transfer the public funds to the points where they may be needed, and to perform such other services as are usually required by the Government of a mere fiscal agent. Under the former system, adopted with these banks, in 1811, Mr. Gallatin, when reporting on its success in these particulars, remarked, "No difficulty has been experienced in the transmission of public monies, and, with the exception of Norfolk and Savannah, the revenue has generally been as well collected as heretofore." Those exceptions soon ceased, and none now exist at any point of our widely extended country. The embarrassments which afterwards occurred, were principally connected with the currency, rather than with the mere transfers of the revenue, and will, hereafter, be considered. These last continued to be regular and efficient, considering the belligerent state of the country, and the slowness of communication, and greater want of experience in such operations, which then existed, compared with the present period. It is conceded, however, that the use of the State banks as fiscal agents has always caused some more detail and complexity in the accounts kept by this department, and that more attention is requisite, than would be with a single bank and its branches to distribute the funds seasonably and promptly to the particular places where they will be needed for disbursements. But these are rather increased inconveniences and labor to the head of this Department and clerks, than serious obstructions to the due operations of the fiscal agent in actually making transfers and disbursements. On a careful examination, these operations are now, when compared with some former periods, ascertained to have become greatly simplified, easy, and economical, in consequence of the important and fortunate changes which have occurred of late years in the places where our collections and expenditures happen to be principally made. From a tabular statement annexed, which has been prepared with much care, it will be seen, nearly, what has been, for the present year, the amount of expenditure and collection in each State and Territory.— Though the ratio in them is not found to be in every State precisely the same, yet they approach each other more closely in more cases than is generally supposed, and in the four great sections of the country, the East and the West, the Middle and the South, are so equal as to require only very small transfers, not over three millions in all, to be made to any considerable distance. Besides this consideration, all the surplus collections beyond the expenditures, it will be seen, are now in the Eastern and Middle, and not in the Southern or Western States.— Hence the transfers, which may be required at a distance, are chiefly from the city of New York to the South and West, and in favor of which city the course of trade is so fully established that the transfers are now effected usually by a mere warrant, without expense to the Government, and without the risk and cost to any person of transporting either paper or specie.— This warrant, in favor of any bank or creditor, in the West or South, on a selected bank in New York, is generally preferred to the best of bank notes, or to specie: and in all cases where money has been required to be transferred to either a great or small distance, and could not, from the course of trade, be transferred in a similar mode, the connexions in business of the principal selected banks, are now so extensive; the location of safe State Banks at important points has become so general; their knowledge of banking principles, and the restrictions guarantying their security, have so much increased; roads, canals, and the facilities of intercourse by steam and stages, and the augmented speed and frequency of mails, have so greatly improved, that the selected banks have, in general, been enabled to transfer any surplus, seasonably, and without expense to the Treasury, to any other State or quarter of the Union where this department has found the public convenience or public wants required it. This salutary change from the condition of our affairs, in some former periods, when the debt to be paid on the seaboard, and abroad, was so very large, must in many particulars be permanent or increasing, and not temporary; and is very fortunate for the interests and harmony of our Union, as well as for the easy, prompt, and efficient operations of the Treasury. It removes any just ground of complaint or apprehension, however well founded once, that, under our present reduced Tariff, and our present restricted expenditures, as to subjects of Internal Improvement, either the West or the South will be in danger of losing a due and useful portion of the public expenditure, or of being drained of the public money there first collected, whenever and in whatever proportions the duties on foreign merchandise may, in the end, be actually paid.

As will be noticed more fully hereafter, the present state of things in relation to these transfers, and our other fiscal operations, is most strikingly different from what it was in 1791 or 1816, when the two National Banks were incorporated under the strongest representations of their being necessary to effect the

very great, costly, and extensive transfers then required, and to aid in the prompt, but then much more difficult collection and disbursement of the revenue. Even at and after the last named period, these delays and difficulties were such, that from two to four months' previous notice was often given, before a distant transfer could be effected; and from 1816 to 1826, those transfers so drained the West of its funds, and chiefly its specie, as before mentioned, as to constitute the principal cause of embarrassment to some of the selected banks there during that period. The present state of things in relation to those subjects here is also very unlike their condition in some other countries, where a National Bank may be a very useful, if not in some a necessary agent, (especially in the absence of well regulated private banks,) to gather and transfer almost the whole revenue from remote points to some common centre, and then to disburse it in large expenditures, either abroad, or at places very distant from those in which it was collected. But such is not our condition at present, though formerly more resembling the largely indebted monarchies of Europe in this particular, and such it is hoped, may never become our condition, while the general welfare can be as well promoted, the Constitution preserved inviolate, and the union of the States strengthened, by an increased regard from the General Government to the interest and prosperity of each great section of country, so as to make it practicable in a nearly equal degree, if practicable, in the immediate benefits of the expenditures of such sums as it has borne the immediate burden of contributing to the common Treasury. Under this view of our present collections and expenditures, and of the balances of trade between the Atlantic sea-board and the West, it is manifest that the distant transfers of our funds, so far as they become necessary, would, if confided to a single individual or bank, be probably made profitable rather than burdensome.

The benefits supposed to have been derived by this department from the United States Bank for performing that operation, were at one time considerable, but, for some years past, have been not only overrated, but, in truth, have been most of the time a source of profit to that institution, by its previous knowledge obtained from this Department of the probable amounts required to be transferred to particular points, and by providing for them through the purchase of bills of exchange and the sale of drafts at and on the appropriate places.

4. This consideration leads us to the next inquiry, concerning the commercial benefits of the present in regard to exchanges, compared with the use of a National Bank in regulating and facilitating those exchanges. This, it will readily be perceived, though a point most strongly urged in favor of that, and against the present system, has little, if any, concern with the correct discharge of duty by any bank as a mere fiscal agent of the Government. The Bank of England seldom or never did any business of the kind, till of late years, and now, through her new branches, to a very limited extent. This dealing in exchange here by National Bank, is also an incidental business, usually belonging to shippers and exporters, to brokers and private bankers, and connected with the commercial interest of the country, rather than with any financial object in the Treasury Department, to justify the incorporation of a bank by Congress. But a mere incident, and one somewhat valuable to the mercantile community, the aid of any fiscal system in favor of the domestic exchanges of the country is an argument more or less connected with its expediency; and in that point of view was acknowledged that the apparent usefulness of the National Bank has at times contracted very favorably with the State Banks. By means of its possession of the public funds, by the favorable course of many of the transfers of them, with its numerous branches and extensive correspondence, and with the high credit given to it by the confidence and great privileges the Government has bestowed, that institution certainly increased its business in domestic exchanges from about four and a half millions, which it never had exceeded at any one time previous to 1827, to more than an average of twenty-two millions at the several periods of its returns in 1832. Under these circumstances, this business was performed, doubtless, with some advantages to the public, and with great profit to the Bank. But the State Banks, as well as individuals, perceived that this kind of business would yield them a fair profit at the same rates, although their facilities for it were in some respects less; and hence, though they had always been competitors for it to a certain extent, yet they did not prove highly successful in their efforts till since 1832. From that time, the number, enterprise, credit, and extensive connexions of some of the State Banks in the West and South West, have enabled them to perform a large portion of this business in those sections, being the sections where this kind of business is greatest, and where, alone, it is usually difficult, expensive, or fluctuating. At the same time, they have performed it on terms equally moderate and satisfactory to the community, or they would not have been resorted to for its performance. A statement is annexed which shows the amount of exchanges held by the Bank of the United

States and its branches, running to maturity on the 1st of September, 1832, 1833, and 1834. From this the remarkable fact appears, that this branch of its business, within a period of two years, has fallen from about nineteen millions to little more than twelve—and that, in the West and South, it fell from near fourteen millions to about six, or considerable more than one-half in only those two years. Nor is it supposed that the whole dealings in domestic exchanges, by all institutions and persons in those quarters, have in that period diminished. On the contrary, this Department has evidence, in the returns on its files, that only three of the selected banks in the West and South West, were performing a business in domestic exchanges, early in September last, of nearly a million more than all the seven branches of the United States Bank in that quarter of the country.

Whether the United States Bank has lost much of this employment by either caprice, unnecessary contraction, or the fair competition of others; whether this course, exaggerated by rumor or not, has shown, by the embarrassments and evils it caused, and which no detached State Banks are able to produce; that the dealing in inland bills ought to have been limited in the charter to the small amount usual during the first years of the existence of the Bank, or placed under certain restrictions, causing this great and dangerous power to be used chiefly for public purposes, to equalise, or render uniform and low, the rate of exchange, and as Mr. Crawford frankly informed the Bank, not "with a view to increase its profits," the undersigned will not pause here to investigate. Because, in any event, strong evidence is furnished that a National Bank is not now necessary, even for the performance of this incidental operation, since in the West and Southwest, and it is believed, if the inquiry was made, in other quarters, the State Banks have, by actual experiment, been recently found to be competent and willing for the satisfactory discharge of it. In reviewing the conduct of the Bank on this subject, and especially during the last year, it may be well to remember that its officers were distinctly admonished, as early as July 3, 1817, that it ought not to deal in internal exchanges "with a view to the pecuniary emoluments of the Bank;" and, whether the rate was one-fourth, one-half, or one, or even ten per cent. the principle of profit on this subject was not the true one for this public institution, and did not comport with the intentions of Congress, in this respect, in chartering it. On this subject of profit from the domestic exchanges, said Mr. Crawford, "it is the establishment of the principle, and not the amount of the exaction, which will exhibit the power of the Bank to lay contributions on the commerce of the nation *ad libitum*." The high merit claimed for the United States Bank, in a commercial point of view, is sometimes extended to the foreign as well as domestic exchange.

It has been asserted that the Bank, by engaging in the purchase of foreign bills at the South, and in the sale of them at the North, has raised the price obtained for them by the planters and merchants at the South; and lowered the price given by the buyers and importers at the North. This, if correct, would assuredly be a fortunate result to the planters and importers. But, on a careful examination of the prices for many years given in the southern quarter of the country, and demanded and received in the northern one, it appears that the purchases by the Bank at the former have generally been much below the premium which it has exacted, and for which it has sold at the latter: consequently, either too little has been given at the former place, or too much asked at the latter; and the Bank, by these operations, instead of acting disinterestedly, or on public principles, is supposed to have made large profits, at the expense of both sellers and buyers—equal, it is believed, if not superior, to any made in the like business by others, either before or since its incorporation. Nor is it perceived that the Bank, independent of the exclusive privileges derived from the Government by the universal receipt of its notes for public dues, possesses any advantages for this species of business over city banks or bankers, unless in a correspondence perhaps more extensive, or larger funds abroad, which, so far as used in connexion with the exchanges, are, for aught which appears to the contrary, oftener employed, if the Bank is selling, to increase the premium, and to draw upon when the premium is highest, than to lower it; if the Bank is buying, to depress the premium still lower which is given to shippers and exporters. The business, in this description of exchanges, therefore, it is presumed, will be carried on with as great, if not greater, benefits to the community, under the new system of fiscal agency growing out of the increased competition of those engaged and engaging in it, unless the National Bank, as would seem to be claimed, but which it is somewhat difficult to believe, has performed it more from kindness and liberality, or public spirit, than for pecuniary profit. At the same time, under a system of only detached and independent state Banks, the community will be relieved from the dangers and injuries to which it is exposed under a great, combined, and consolidated power of a single institution, with numerous branches extended into every section of the country, seeking often to control and monopolize, it is

feared, solely for its own enhanced emoluments, the whole business of exchanges, both foreign and domestic.

5. The comparative goodness of the money in which the payments are made under the present system, is another topic of inquiry possessing much interest. The kind of money in which the revenue is collected, or the deposits made, continues by law to be the same as heretofore, and consists of specie, or the bills of the United States Bank; and, by usage, authorised by the resolution of Congress, in 1816, of such other bills on specie-paying banks as the depositories are willing to receive at par, and credit as cash. No bills are now received on special deposit, as was sometimes practised between 1814 and 1818; and hence, in making payments to the public creditors, there is no temptation to make those payments otherwise than has been the custom for some years past, which is either in specie funds, such as the bills of the United States Bank, or the bills of other specie-paying banks. It is not known to this department, therefore, that any change has occurred in the kind of money in which payments are now made, except that the collections being probably effected somewhat less in bills of the United States Bank, and more in specie, and the bills of the selected State Banks, it happens that the latter bills, not being like the former, by an act of Congress, a tender for the public dues, are not so current and useful for all purposes and hence are not so often delivered in payments to the public creditors. But, at the same time, more specie is now paid to them; and it may, in all cases, be now, as heretofore, demanded and received instead of bills—not any particular kinds of specie, such as pillared dollars, for instance, preferred and wanted, from strongly settled prejudices, sometimes in the navy, for particular foreign stations, and in the army for particular payments to Indians, (because these kinds must now, as heretofore, be obtained through comity, or bought in the large cities, and transported to the places of disbursement,) but such specie as is by law a tender in all cases. Indeed, not a single instance has come to the knowledge of the department where a deposit bank has attempted to pay a public creditor or officer in paper not there at par, or (unless preferred) redeemable at a distance, or has refused to pay him specie, if requested. Many of them, much to their credit for liberality, and greatly to the public accommodation, have, in furtherance of the views of Congress in passing the late acts regulating the gold coinage, incurred expense and inconvenience to procure and pay out considerable quantities of the new gold coin to pensioners and the public creditors.

The effects of these changes have been to increase the quantity of specie in the vaults of the selected banks, for the purpose of meeting the increased demands for it, and to throw more specie, instead of United States Bank bills, into general circulation.

While this has operated favorably to the security of the paper system in this country, by enlarging the specie basis on which it partly rests, the admission is freely made, that it has deprived the travellers and merchants, to some extent, of the usual quantity of United States Bank bills, which, for purposes of travelling and transmission to a distance, have, by the privileges hereafter specified, acquired a general and high credit. Though these facilities to those classes of persons are here, and in other countries, chiefly obtained by the use of gold or bills of exchange, the last furnished by banks or private bankers on their correspondents in distant cities, yet bank notes are sometimes, when in high credit, at remote places, employed for similar purposes, though at much greater risk from accidents and losses, than bills of exchange. But it is to be remembered, in the estimate of what may, in any commercial view, be deemed preferable, in the payment to public creditors of the United States Bank notes over other bank notes or specie, that the superiority of the former is derived principally, if not wholly, from the increased credit imparted to them, by the legislative monopoly which they enjoy in being a tender for all public dues at places however remote from those where issued, and which Congress has not yet deemed it proper to withdraw, or to confer on any State Banks, and by the striking guarantee which Congress has given for the security and due management of the United States Bank. This last has been done, not only by conferring the privileges before named, but by risking seven millions of dollars in its capital stock; trusting formerly large amounts of nearly twenty-five millions a year of public deposits to its conditional custody; bestowing on it what are, in some respects, the benefits of certain agencies connected with the public debt and pensions, and undertaking by law, through its committees, and this Department, to watch its business and proceedings, and to have it prosecuted, or the deposits, and the privileges as to its bills, withdrawn from it in the event of such misfeasances as may be supposed to warrant either measure in the opinion of those to whom the power is intrusted, or to whom it is reserved by the provisions of the charter.

Take away the monopoly, the privileges, and the guarantee, which are conferred in exclusion and at the expense of the notes of State Banks, and little reason is discoverable why the notes of the former should circulate wider, or with more credit, than those

of other banks of established reputation. But, in that event, it is conceded both kinds of notes would probably fail to perform so well very distant functions, as they are now sometimes performed by United States Bank bills, unless arrangements were made, to which either is competent, to have a portion of their bills redeemable at distant places as well as at their own counters. Such an arrangement has often been found successful in Europe, prevails now as to the five dollar notes issued by the United States Bank, and has already been commenced by some of the selected State Banks. As the notes of the former must retire still more from circulation at the close of its charter, such an arrangement, though by no means necessary, could, without doubt, at the points where the course of travel and trade might indicate it to be convenient and useful, be beneficially for the banks, if not for the public, so extended, as to answer all the travelling and commercial wants properly noticeable under this branch of our inquiry. But gold coin and bills of exchange are, in the opinion of the undersigned, far preferable for those purposes. The new coinage of gold, at a nominal value slightly exceeding what it is worth in the market as bullion, has been a measure required for twelve years past, to secure its circulation in this country, and to prevent its being hoarded or exported; and, as shown and urged by my predecessor last winter, was highly necessary, and has very opportunely occurred to aid the present system, not only in other respects, which need not be discussed here, but as a safe and convenient currency, instead of any kind of bank bills, for travellers at all distances beyond which bills of exchange would not be superior to either of them.

But whatever small gain, in a commercial view, is derived from the sanction to the goodness of notes of banks incorporated with exclusive privileges and guarantees, and watched over by the General Government rather than by the State Governments, it would hardly be contended that such a gain was ever deemed a justifiable ground for incorporating the present Bank with all its monopolies, or could be considered justifiable for incorporating any other similar to it, at the present, when all the advantages of a paper of high and general credit for travellers and merchants could, perhaps, be obtained, if deemed necessary and desirable by Congress, by merely authorizing the issue of Exchequer bills, or Treasury notes, in public payments, when requested by the public creditors, and by providing for their general credit and redemption, by specie on hand derived from the revenue and by the receipt of them for all dues to the Government, as is the case now with the notes of the United States Bank. As they would not, in such case, be issued in the form of loans, but only in payments, no partiality or corruption could grow out of their employment, and every object, deemed valuable as to a paper currency for distant purposes, could be obtained as a revenue measure constitutionally. But the details of such a measure will not now be examined, as no occasion appears to exist at present for its adoption; and as the safety or security of the public, in respect to the specie on hand for their redemption, would at all times render it inexpedient unless found by Congress to be very necessary.

[TO BE CONTINUED.]

NISI PRIUS.—The Supreme Court for the Eastern District, have countermanded the *Order for Nisi Prius*, made on the 30th December last, and now Order, that the Trials by SPECIAL JURY, shall commence on the 16th February, 1835, and continue three weeks; and that the Trials by GENERAL JURY, shall commence on the 9th day of March next, and continue one week.

Gentlemen of the Bar having cases in the Supreme Court, and desirous of placing them on the issue list, will do so by the 16th inst, at which time the list will be completed, and the Jury list issue.

A COLUMBIAN PRESS.

The Editor having no occasion for more than one press, proposes to sell an Iron Cast Press of Clymer's construction, and will sell it for cash with new typens and rolling apparatus complete—not included in the first cost. The Press is excellent.

MEMORANDUMS.

PHILADELPHIA,
ELIZABETH ST.—NEAR SOUTH SIXTH.

This paper is published in the quarto form—

Because it is more commodious for perusal than the folio:

Because it is better adapted for preservation, and reference; and

Because it can be more easily enlarged without affecting its convenience, by the mere lengthening of the columns, or by the addition of a quarter or half sheet, or more, if eligible.

The publication in detached numbers, is incident to the progress of the subscription; which, though it proceeds slow, goes on certain.

NUMBERS will continue to be issued, at convenient times, till the subscription shall be adequate to the expenditure, when the paper will issue daily, without any farther notice; and the detached numbers will be considered each as a day, in the year's charge.

TERMS OF SUBSCRIPTION.—Eight Dollars per annum; \$5, to be paid in advance. The paper to be issued daily, when the subscription covers the expense.